

ORDINANCE NO. 023-130

AN ORDINANCE ADOPTING A
BUDGET FOR CALENDAR YEAR 2024
AND FINANCIAL PLAN FOR
CALENDAR YEARS 2025-2026

WHEREAS, The Chicago Transit Authority (“Authority”) has prepared and published a proposed 2024 Annual Operating Budget and 2025–2026 Financial Plan setting forth operational expenditures; and

WHEREAS, The Authority held a public hearing on November 9, 2023, on the 2024 Proposed Operating Budget and 2025–2026 Proposed Operating Financial Plan as required by Section 34 of the Metropolitan Transit Authority Act (“MTA Act”); and

WHEREAS The Authority held a meeting on October 31, 2023, with the Board of Commissioners of Cook County, Illinois as required by Section 34 of the MTA Act; and

WHEREAS, The Chicago Transit Board has considered the results of said hearing and meeting and reviewed the Proposed Budget and Financial Plan; and

WHEREAS, The amount of total funding, including the public funding that the Chicago Transit Authority will receive in 2024 from the Regional Transportation Authority, is sufficient to meet budgetary requirements; and

WHEREAS, The Regional Transportation Authority Act, 70 ILCS 3615/4.11, requires that the Chicago Transit Authority submit to the Regional Transportation Authority a 2024 Annual Budget and Program and 2025–2026 Financial Plan; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD
OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. This ordinance, designated the Calendar Year 2024 Budget Ordinance, is hereby approved.

SECTION 2. The Calendar Year 2024 Operating Budget is contained in Exhibit A hereto and incorporated herein by reference.

SECTION 3. The Calendar Years 2025–2026 Financial Plan is contained in Exhibit B hereto and incorporated herein by reference.

SECTION 4. The Calendar Year 2024 Operating Budget and the 2025–2026 Financial Plan are subject to such amendment as may be required by adoption of the Regional Transportation Authority’s 2024 Budget.

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SECTION 5. The amounts designated for the Calendar Year 2024 Operating Budget contained in Exhibit A attached hereto and incorporated herein by reference are hereby appropriated to the uses and purposes set forth therein.

SECTION 6. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

November 15, 2023

Secretary

November 15, 2023

Exhibit A – Ordinance No. 023-130
Calendar Year 2024 Operating Budget (Dollars in Thousands)

	2024 Proposed Budget
<u>Operating Expenses</u>	
Labor	\$ 1,359,830
Material	130,628
Fuel	49,074
Power	36,729
Provision for Injuries and Damages	19,850
Purchase of Security Services	65,150
Other Expenses	
Pension Obligation Bonds (Net)	97,491
Contractual Services	190,988
Utilities, Non-Capital Grant, Travel, Leases, Other	28,189
Other Debt Service	17,860
Other Expenses Total	334,528
Total Operating Expenses	<u>\$ 1,995,789</u>
<u>System Generated Revenue</u>	
Fare and Passes	\$ 345,117
Reduced Fare Subsidy	15,847
Advertising, Charter & Concessions	33,838
Investment Income	5,000
Statutory Required Contributions	5,000
Other Revenue	22,621
System Generated Revenue	<u>\$ 427,423</u>
<u>Public Funding</u>	
Sales Tax I	\$ 509,584
Sales Tax II	73,246
PTF II	93,506
RETT	72,455
PTF II on RETT	17,987
Non-Statutory Funding - PTF I	301,333
Non-Statutory Funding - Sales Tax I	27,739
ICE	-
Public Funding	<u>\$ 1,095,850</u>
Federal Relief Funds	\$ 472,516
Budget Balancing Actions*	\$ -
Total Operating Revenue	<u>\$ 1,995,789</u>
Balance	<u>\$ -</u>
Recovery Ratio**	52.50%
Required Recovery Ratio	42.00%

* Budget Balancing Actions have not yet been determined

** Recovery ratio is calculated by dividing System-Generated Revenue by Operating Expenses. The calculation includes (i) in-kind revenues and expenses for security provided by the City of Chicago, (ii) excludes security expenses, Pension Obligation Bond debt service, ICE grant and depreciation and (iii) includes a portion of senior free ride revenue and certain grant revenues. The recovery ratio calculation also includes Federal Relief Funds as well as Budget Balancing Actions.

Note: Totals may not add due to rounding

Exhibit B – Ordinance No. 023-130
Calendar Years 2024 - 2025 Financial Plan (Dollars in Thousands)

	2025 Plan	2026 Plan
<u>Operating Expenses</u>		
Labor	\$ 1,428,845	\$ 1,499,931
Material	143,401	154,500
Fuel	47,770	45,150
Power	44,692	45,754
Provision for Injuries and Damages	20,446	21,059
Purchase of Security Services	68,082	70,124
Other Expenses		
Pension Obligation Bonds (Net)	97,491	97,491
Contractual Services	201,747	207,448
Utilities, Non-Capital Grant, Travel, Leases, Other	36,442	43,598
Other Debt Service	17,860	17,860
Other Expenses Total	353,540	366,398
Total Operating Expenses	\$ 2,106,776	\$ 2,202,916
<u>System Generated Revenue</u>		
Fare and Passes	\$ 361,125	\$ 380,429
Reduced Fare Subsidy	15,847	15,847
Advertising, Charter & Concessions	34,853	35,898
Investment Income	3,300	2,500
Statutory Required Contributions	5,000	5,000
Other Revenue	23,300	23,999
System Generated Revenue	\$ 443,424	\$ 463,673
<u>Public Funding</u>		
Sales Tax I	\$ 524,872	\$ 538,519
Sales Tax II	71,118	68,928
PTF II	97,222	99,750
RETT	74,629	76,569
PTF II on RETT	18,657	19,142
Non-Statutory Funding - PTF I	313,322	321,468
Non-Statutory Funding - Sales Tax I	31,885	37,918
ICE	-	-
Public Funding	\$ 1,131,705	\$ 1,162,295
Federal Relief Funds	\$ 481,227	\$ -
Budget Balancing Actions*	\$ 50,420	\$ 576,949
Total Operating Revenue	\$ 2,106,776	\$ 2,202,916
Balance	\$ -	\$ -
Recovery Ratio**	53.54%	54.36%
Required Recovery Ratio	42.00%	42.00%

* Budget Balancing Actions have not yet been determined

** Recovery ratio is calculated by dividing System-Generated Revenue by Operating Expenses. The calculation includes (i) in-kind revenues and expenses for security provided by the City of Chicago, (ii) excludes security expenses, Pension Obligation Bond debt service, ICE grant and depreciation and (iii) includes a portion of senior free ride revenue and certain grant revenues. The recovery ratio calculation also includes Federal Relief Funds as well as Budget Balancing Actions.

Note: Totals may not add due to rounding